

1 **Policy Concept**  
2 **Chapter 849, Employment and Training Services for Dislocated Workers**  
3 **Eligible for Trade Benefits**  
4 **Rule Project #2021-10-849 – TAA Federal Regulations Update**

5 **Introduction and Background**

6 Trade Adjustment Assistance (TAA) is a federal entitlement program established by the Trade Act of  
7 1974 to assist workers adversely impacted by foreign trade or the shifting of jobs from the United States  
8 to other countries. Workers who have lost or may lose their jobs because of their company's decline in  
9 production or sales due to increased imports or the outsourcing of jobs to foreign countries are  
10 potentially eligible for TAA services and benefits.

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12 On August 21, 2020, the US Department of Labor Employment and Training Administration (ETA)  
13 released the Trade Adjustment Assistance for Workers Final Rule (TAA Final Rule). The TAA Final  
14 Rule is codified under 20 Code of Federal Regulations (CFR) Part 618. The final rule modernizes the  
15 TAA Program, consolidates all applicable program regulations into a single section of the CFR, removes  
16 outdated references to the Workforce Investment Act (WIA), and continues to align the TAA Program  
17 with the Workforce Innovation and Opportunity Act (WIOA). The TAA Final Rule became effective on  
18 September 21, 2020.

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20 The four-year rule review required by Texas Government Code, §2001.039 is due in 2022. Staff will  
21 review the chapter to ensure the rules align with current program processes and procedures.

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23 **Purpose for the Proposed Rule**

24 The purpose for this proposed rule is to align 40 TAC Chapter 849 with the TAA Final Rule.

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26 **Rule Revisions Required by Federal Regulation or State Statute**

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28 **Issue #1: Alignment**

29 Implementation of TAA Final Rule requires updating language in Chapter 849 to align with the final  
30 rule language. There are also multiple WIA citations, which must be replaced with their corresponding  
31 WIOA citations. Examples of revisions to align Chapter 849 with the TAA Final Rule, include:

- 32 • removing WIA citations;
- 33 • revising the requirements to provide Rapid Response services;
- 34 • revising and updating program definitions;
- 35 • providing new requirements related to the provision of labor market information;
- 36 • updating the elements of individual employment plans;
- 37 • updating the career and training services requirements;
- 38 • updating the types of support services available to TAA program participants; and
- 39 • adding the overpayment requirements.

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41 **Issue #2: Coenrollment in the WIOA Dislocated Worker Program**

42 Because 20 CFR §618.325(a)(1) requires coenrollment of trade-affected workers in WIOA's Dislocated  
43 Worker Program, staff identified the need to include this provision in Chapter 849. Prior to the  
44 implementation of 20 CFR Part 618, ETA provided administrative guidance regarding coenrollment.

1 **Other Rule Revisions**

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3 **Issue #3: Rule Review of Chapter 849**

4 Texas Government Code, §2001.039 requires that every four years each state agency review and  
5 consider for readoption, revision, or repeal each rule adopted by that agency. Staff will review the  
6 chapter in its entirety to ensure the rules align with the TAA program.

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8 **PC Decision Point**

9 Staff recommends:

- 10 • amending Chapter 849 to align language with 20 CFR Part 618 to reflect regulatory program  
11 changes and update citations from WIA to WIOA;
- 12 • amending Chapter 849 to require coenrollment of trade-affected workers in WIOA's Dislocated  
13 Worker Program; and
- 14 • reviewing the chapter to ensure the rules align with current TAA program processes and procedures.